

CASE STUDY

DHL DELIVERS END-TO-END SOLUTION FOR LEADING HEALTH AND NUTRITION BRAND



The world's leading provider of consumer nutrition, health and wellness products operates in 86 countries and supports more than 2000 brands.

The company has a strong focus on quality and safety and needs to manage regulatory requirements specific to health and nutrition products across all of the countries in which it does business. In addition, the company has a commitment to environmentally sustainable business practices at all stages of the product life cycle, including using natural resources efficiently and targeting zero waste.

CUSTOMER CHALLENGE

The company identified the need to move away from a local supply chain partner and consolidate management with a single partner with global expertise and the ability to meet the specific requirements of healthcare and nutrition products while improving supply chain efficiency, safety and sustainability.

Specifically, they identified the need for a partner that could provide storage and temperature-controlled transportation for health and nutrition products while supporting integration with their existing SAP system. They also required a single distribution network for shipping orders to stores from strategically located distribution and assembly points for easy transport consolidation.

Finally, they sought a partner capable of leveraging economies of scale and operational excellence to improve efficiency while supporting the company's high standards for worker safety and sustainability.

CUSTOMER CHALLENGE:

- Increase supply chain efficiency and intergrade product recycling
- Temperature control for select products
- Reduce product delivery times to retail customers

DHL SUPPLY CHAIN SOLUTION:

- 16,700m² of warehousing space including VAS, distribution, customer service, and 5,500m² of temperature controlled space
- Technology integration with existing SAP system to enable centralized distribution of customer orders
- "Transport Safety" training and workflow enhancements

CUSTOMER BENEFITS:

- Annual savings of more than 16,000€ through improved process and energy management
- Handled 300% increase in product volume while maintaining safety and minimizing supply chain costs
- 85% increase in manufacturing capacity



DHL SUPPLY CHAIN SOLUTION

With global experience and professional perspective, DHL meets every logistics need of this industry leader. The hub of the operation is a 16,700m² storage space of which 1,000m² is allocated for co-packing as well as value added services (VAS) and 2D barcoding services.

In addition, 5,500m² of the total storage space is allocated for 16-22°C controlled storage services. Temperature-controlled vehicle transportation is also applied for this product range.

DHL put its "Transport Safety" service to use as an end-to-end solution for worker health and safety. The solution enables a controlled work flow through high level health and safety actions during the warehouse input-output flow. The workflow also benefitted from warehouse areas being controlled for humidity and temperature.

DHL conducts regular health and safety training that includes Basic Workplace Health and Safety, Fire Safety, First Aid Certificate and Safe Driving Training.

DHL was also chosen to manage a recycling program in which returned product is recycled into animal feed.

CUSTOMER BENEFIT

Through the customized solutions and global expertise provided by DHL, this customer has been able to consolidate and improve the management of the supply chain processes for its health and nutrition products. Efficiency in warehouses has improved through the delivery of special services, including VAS and 2D barcoding. Product quality and safety is ensured through temperature controlled storage and transportation.

Daily business volumes have increased 300% during the period DHL has been engaged with this customer and those increased volumes have been accommodated while maintaining high levels of efficiency and safety. Improved management of work procedures in the co-pack operations has resulted in an 85% increase in manufacturing capacity for one group of products which has generated savings of 11,900€ per year. Warehouse energy consumption improvements yielded an additional 5000€ per year in savings.

For further information

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